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**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Application by)	
Qwest Communications International, Inc.)	
For Authorization To Provide)	WC Docket No. 02-314
In-Region, InterLATA Services in the States)	
of Colorado, Idaho, Iowa, Montana, Nebraska,)	
North Dakota, Utah, Washington, and)	
Wyoming)	

JOINT DECLARATION OF

JOHN F. FINNEGAN

TIMOTHY M. CONNOLLY

AND KENNETH L. WILSON

ON BEHALF OF AT&T CORP.

TABLE OF CONTENTS

	<u>Page</u>
I. PURPOSE AND SUMMARY OF DECLARATION	5
II. QWEST DENIES NONDISCRIMINATORY ACCESS TO PRE-ORDERING AND ORDERING FUNCTIONS.	7
A. Qwest Fails To Provide CLECs With Parity of Access With Respect To Loop Qualification and Pre-Order Mechanized Loop Testing.....	8
1. Qwest Does Not Provide Nondiscriminatory Access To Loop Qualification Information.	8
2. Qwest Does Not Permit CLECs To Perform or Request a Pre- Order Mechanized Loop Test, Even Though Qwest Can – and Does – Perform Such Tests In Its Retail Operations.....	13
B. Qwest’s Pre-Ordering and Ordering Processes Are Unnecessarily Complex and Burdensome, and Deny CLECs a Meaningful Opportunity To Compete.	18
C. The Ordering and Provisioning Capabilities of the OSS Continue To Be Plagued By High Rates of Order Rejections, Manual Processing, and Manual Errors.	26
III. QWEST FAILS TO PROVIDE NONDISCRIMINATORY ACCESS TO BILLING FUNCTIONS.....	34
1. Qwest’s Bills Are Not Auditable.	35
2. Qwest’s Bills Are Not Accurate.....	45
IV. QWEST STILL FAILS TO PROVIDE AN ADEQUATE TEST ENVIRONMENT.	51
CONCLUSION.....	54

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**JOINT DECLARATION OF JOHN F. FINNEGAN,
TIMOTHY M. CONNOLLY, AND KENNETH L. WILSON
ON BEHALF OF AT&T CORP.**

1. My name is John F. Finnegan. I am a Senior Policy Witness employed by AT&T Corp. My business address is 1875 Lawrence Street, Suite 1500, Denver, Colorado, 80202.

2. I received a Bachelor of Science degree in Engineering from Rutgers College of Engineering and an M.B.A. from the University of Denver. After graduating from Rutgers, I spent the next two years with Combustion Engineering in Valley Forge, Pennsylvania, as a Project Engineer. I have worked for AT&T since 1983 in a variety of engineering, quality management, sales and marketing positions. Almost half of that time was spent leading a supplier quality management organization.

3. In 1995, I joined AT&T's New Markets Development Organization (the immediate predecessor to AT&T's Western Region Local Services Organization) and was one of

the first employees in the Western Region to explore the opportunities associated with providing local exchange service in that region. In 1996, I assumed my current position. In recent years, I have concentrated my work efforts on collaborating with Qwest, competitive local exchange carriers ("CLECs"), and state regulators on understanding and evaluating Qwest's operational support system ("OSS"). In fact, I have been AT&T's representative in the Arizona and the Regional Oversight Committee's ("ROC") OSS tests since their inception. I am frequently a panelist on ROC OSS discussions, and have testified in State 271 proceedings in Colorado, Washington, North Dakota, South Dakota, Nebraska, Oregon, Minnesota, and New Mexico.

4. My name is Timothy M. Connolly. I am a business systems analyst. Currently, I operate the consulting firm of C2 Technology Analysts ("C2TA"). My company is located at 2005 Arbor Avenue in Belmont, California. I have degrees from Creighton University in Omaha, Nebraska, and from the University of Illinois at Chicago.

5. In my current capacity as a business systems analyst, I serve as a consultant to AT&T concerning OSS, third-party testing of the OSS of incumbent local exchange carriers ("ILECs"), ILEC Change Management Processes ("CMP"), incumbent-to-competitor testing procedures, and performance measurement systems. I have consulted with AT&T on OSS matters for more than six years.

6. Prior to starting C2TA, I worked for technical consulting companies and partnerships that were engaged to evaluate and recommend technology platforms for communications carriers, including incumbent OSS offerings. Several of these consulting assignments have involved the OSS obligations of ILECs under the Telecommunications Act of

1996 and, in particular, State and federal regulatory commission requirements for the operational readiness of OSS to meet Section 271 checklist requirements. I have testified on the OSS capabilities of incumbent carriers across the country in State and federal proceedings, including the proceedings before this Commission involving Bell Atlantic's Section 271 application for New York and Southwestern Bell's Section 271 application for Texas. Prior to becoming a consultant, I worked for AT&T for fourteen years in a variety of capacities, including management of an international systems integration business unit that developed software packages of business and network support systems for domestic and overseas customers of AT&T.

7. My name is Kenneth L. Wilson. I am a senior Consultant and Technical Witness with Boulder Telecommunications Consultants, LLC. My business address is 970 11th Street, Boulder, Colorado, 80302.

8. I received a Bachelors of Science in Electrical Engineering from Oklahoma State University in 1972, and a Masters of Science in Electrical Engineering in 1974 from the University of Illinois. In addition, I have completed all the course work required to obtain my Ph.D. in Electrical Engineering from the University of Illinois. The course work was completed in 1976.

9. For 15 years before coming to Denver, I worked at Bell Labs in New Jersey in a variety of positions. From 1980 through 1982, I worked as a member of the network architecture and network planning team at Bell Labs for AT&T's long distance service. From 1983 through 1985, I was a member of the first AT&T Bell Labs cellular terminal design team.

From 1986 through 1992, I led a Bell Labs group responsible for network performance planning and assurance for AT&T Business Markets. From 1992 through 1993, I was a team leader on a project to reduce AT&T's capital budget for network infrastructure.

10. From January 1994 through May 1995, I led a team at Bell Labs investigating the various network infrastructure alternatives for entering the local telecommunications market. From 1995 through the spring of 1998, I was the Business Management Director for AT&T in Denver, managing one of the groups responsible for getting AT&T into the local market in Qwest's 14-state territory. In addition, I was also the senior technical manager in Denver working on local network and interconnection planning, OSS interface architectures and the technical aspects of product delivery.

11. As noted above, I am currently a consultant and technical witness with Boulder Telecommunications Consultants, LLC. In this capacity, I have worked with several companies, including AT&T, on all aspects of interconnection, unbundled elements, collocation and resale issues.

12. Each of us previously submitted testimony, either individually or jointly with other witnesses, on OSS-related issues on behalf of AT&T in the *Qwest I* and *Qwest II* proceedings.¹

¹ See, e.g., AT&T (Qwest II) Finnegan/Connolly Menezes Decl.; AT&T (Qwest II) Wilson Decl.; AT&T (Qwest I) Finnegan/Connolly/Menezes Decl.; AT&T (Qwest I) Wilson Decl.

I. PURPOSE AND SUMMARY OF DECLARATION

13. The purpose of this Declaration is to assess whether Qwest provides nondiscriminatory access to its OSS as required by the Telecommunications Act of 1996 (“the 1996 Act”), including the competitive checklist set forth in Section 271 of the Act. For the reasons stated below, Qwest has not met its OSS obligations, notwithstanding its claims of compliance in its latest application.²

14. Qwest contends that the “‘simple fact’ is that its OSS is performing well and provides CLECs with a meaningful opportunity to compete.”³ Qwest is wrong. The “simple fact” is that Qwest’s OSS suffer from the same flaws that AT&T and other parties described in their evidence in response to those applications.⁴ As discussed below, those flaws continue to deny CLECs a meaningful opportunity to compete.

15. First, as discussed in Part I, Qwest fails to provide nondiscriminatory access to pre-ordering and ordering functions. For example, Qwest does not provide CLECs with the same degree of access to loop qualification information, or the same ability to perform

² See Supplemental Brief of Qwest Communications International Inc. In Support of Consolidated Application for Authority To Provide In-Region, InterLATA Services in Colorado, Idaho, Iowa, Montana, Nebraska, North Dakota, Utah, Washington, and Wyoming, dated September 30, 2002 (“Application”) at 2, 6.

³ Application at 6.

⁴ See, e.g., AT&T (Qwest II) Finnegan/Connolly/Menezes Decl.; AT&T (Qwest II) Finnegan/Connolly/Menezes Decl. Because AT&T has addressed the deficiencies in Qwest’s OSS in its previous submissions (which it is incorporating by reference in these proceedings), we will discuss those deficiencies only to the extent that further discussion is warranted. To the extent that particular deficiencies (such as the shortcomings of Qwest’s Change Management Process) have been fully addressed by AT&T and need no further discussion, they will not be discussed here.

mechanized loop testing in pre-ordering, that Qwest itself has. In fact, Qwest has actively endeavored to conceal its discriminatory conduct from the Commission and from the CLECs.

16. Furthermore, Qwest's unnecessarily complex pre-ordering and ordering processes deny CLECs a meaningful opportunity to compete. Unlike other RBOCs, Qwest requires CLECs to: (1) enter a customer's name and address in order to retrieve a customer service record; (2) enter the customer's service address information on a UNE platform ("UNE-P") migration order; (3) enter codes on a UNE-P migration order differentiating the features that the customer is retaining from its prior service from Qwest and the additional, new services that the customer is taking from the CLEC; and (4) include the customers' retail class of service USOC on an order. In addition, unlike other RBOCs, Qwest bases the design of the service and equipment section of its CSR on USOCs (rather than on the customer's telephone number), thereby hindering integration of pre-ordering and ordering functions. These unique aspects of Qwest's OSS unnecessarily impose substantial costs on CLECs, enhance the risks of order rejections, and increase the amount of time that a CLEC must take to complete the pre-ordering and ordering process.

17. Qwest's ordering and provisioning capabilities continue to be plagued by high rates of order rejections, manual processing, and manual errors. Nearly 30 percent of orders submitted to Qwest are rejected. With respect to orders that are not rejected, Qwest continues to place excessive reliance on the manual processing of CLEC orders, thus denying CLECs the same fully automated electronic capabilities enjoyed by its own retail operations. The third-party testing of its OSS showed that Qwest commits an unacceptably high rate of errors on orders

that it manually processes – and the self-serving performance data on “service order accuracy” that Qwest presents with its application does not change that fact.

18. Second, as discussed in Part II, Qwest still fails to provide parity of access to billing functions. The wholesale bills that Qwest provides to CLECs still are not readable, auditable, or verifiable. To the contrary, Qwest has acknowledged that the CRIS BOS BDT bill that it provides to AT&T cannot serve as the bill of record because of its inaccuracies and is still “under development.”

19. Third, as discussed in Part III, Qwest’s test environment still fails to mirror the production environment. Despite its professed willingness to include additional products and features in its “SATE” test environment upon CLEC request, Qwest has been slow to implement CLEC requests that it do so.

II. QWEST DENIES NONDISCRIMINATORY ACCESS TO PRE-ORDERING AND ORDERING FUNCTIONS.

20. Qwest’s OSS continue to deny CLECs nondiscriminatory access to pre-ordering and ordering functions. First, Qwest fails to provide CLECs with full access to all of the same loop qualification information that Qwest has in its possession, and with the same ability to perform mechanized loop tests on a pre-order basis as Qwest itself has in its retail operations. Second, Qwest’s unnecessarily complex various pre-ordering and ordering systems deny CLECs a meaningful opportunity to compete. Third, Qwest’s systems are still characterized by unreasonably high rates of order rejections, manual order fall-out, and errors in manual processing. Finally, Qwest still denies CLECs nondiscriminatory access to due dates.

A. Qwest Fails To Provide CLECs With Parity of Access With Respect To Loop Qualification and Pre-Order Mechanized Loop Testing.

21. Qwest fails to provide CLECs with access to the same “loop qualification information” that is available to Qwest itself. Moreover, Qwest refuses to allow CLECs to perform (or have performed) a pre-order mechanized loop test, even though Qwest can – and does – perform such tests in its retail operations. These restrictions clearly are a denial of nondiscriminatory access.

1. Qwest Does Not Provide Nondiscriminatory Access To Loop Qualification Information.

22. CLECs need nondiscriminatory access to the same loop qualification that is available to Qwest, so that they “can make an independent judgment at the pre-ordering stage about whether an end user loop is available of supporting the advanced services equipment the competing carrier intends to install.” *Alabama 271 Order*, Att. H, ¶ 35. CLECs also need such information to determine (1) whether the BOC has spare facilities (including fragments of loops) that the CLEC may need to provide such service, and (2) whether they can provide service to areas served by IDLC loops.

23. Thus, the Commission has held that “to the extent the incumbent LEC has compiled loop qualification information for itself, it is obligated to provide competitive LECs with nondiscriminatory access to the same information.” *UNE Remand Order*, ¶ 141. This obligation extends to *any* loop qualification information in the ILEC’s possession:

Under the UNE Remand Order, the relevant inquiry is not whether a BOC’s retail arm accesses such underlying information but whether such information exists anywhere in a BOC’s back office

and can be accessed by any of a BOC's personnel. Moreover, a BOC may not "filter or digest" the underlying information and may not provide only information that is useful in the provisioning of a particular type of xDSL that a BOC offers.

New Hampshire/Delaware 271 Order, App. F, ¶ 35 (emphasis added).

24. Qwest, however, has not provided CLECs with access to all of the loop qualification information that it has compiled for itself. As discussed in the Declaration of Edward Stemple, when Commission representatives visited Qwest's CLEC Coordination Center ("QCCC") in July 2002, Qwest directed its QCCC personnel not to discuss or disclose the mechanized loop tests that they were performing, in order that CLECs not have access to MLTs and to Qwest's "legacy systems." Qwest would never have given such an instruction if it was providing CLECs with all of the loop qualification information in its possession. Clearly, Qwest is maintaining databases with loop qualification information (including information regarding MLTs that it has performed) to which CLECs are currently being denied access. Qwest's previous representation to this Commission that it "is not withholding MLT information from CLECs"⁵ is therefore totally implausible.

25. One of the databases to which Qwest is not granting access to CLECs is LFACS, even though AT&T has sought such access for more than three years. LFACS is the main repository for information on Qwest's loop facilities. LFACS contains the base information on loop facilities that will identify spare facilities and the most current information on the loop. LFACS thus contains far more information than the Raw Loop Data Tool ("RLDT") to which CLECs have access, because the RLDT does not contain complete information on loop

⁵ See, e.g., Qwest I Notarianni/Doherty Reply Decl., ¶ 50.

conditioning and spare facilities that are not connected to the Qwest switch, even though such information is available to Qwest's own engineers. *See* AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 144. In short, Qwest is filtering information from LFACS, and most likely from other databases as well.

26. Qwest has asserted that the Raw Loop Data Tool currently provides information on spare facilities that are not connected to the Qwest switch. Qwest I Notarianni/Doherty Reply Decl., ¶ 81. However, Qwest has not provided any evidence to support its claim. Although Qwest has described three categories of spare facility information that CLECs can obtain through the RLDT, it describes those categories as "Connected Facilities," "Connected Through Facilities," and "Partially Connected Facilities." *Id.* None of those categories appears to encompass spare facilities not connected to a Qwest switch or other facilities that are not yet connected to the Feeder Distribution Interface ("FDI") or other distribution terminals.

27. Recent testimony by a Qwest representative in the Minnesota 271 proceeding confirmed that Qwest's own engineering personnel have direct access to LFACS. Barbara Brohl, Qwest's witness, acknowledged that "there is a group of network technicians that do have direct access to LFACS for provisioning purposes."⁶ LFACS is the database that must be consulted when discrepancies arise regarding whether particular loops can be used for advanced services. CLEC engineers need the same access, since LFACS contains the

⁶ *See* Transcript of September 10, 2002, hearing in Minnesota PUC Docket No. P-421/CI-01-1371 ("September 10 Minnesota Tr."), at 168 (attached hereto as Attachment 1).

information that will enable them to determine whether, and how, the CLEC can provide advanced services.

28. Furthermore, it appears that other Qwest employees have direct access to LFACS. For example, the documentation on the “FOC trial” that Qwest conducted in 2001 in Colorado states that Qwest accesses LFACS when it receives an accurate LSR to attempt to assign pairs which do not need conditioning, and to create a design of the loop. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 146.⁷

29. The workpapers from KPMG’s third-party test regarding access to loop qualification information (Test 12.7) also indicated that Qwest retail personnel have direct access to LFACS. KPMG noted such access in its workpapers, based on its initial conversations that KPMG had with Qwest’s employees. In testimony filed last month before the Minnesota Public Utilities Commission, Qwest did not dispute the content of the workpapers. Instead, Qwest contended that during its initial interviews with Qwest employees, KPMG “did not completely or accurately understand Qwest’s loop qualification tools” – and that, following additional interviews with Qwest personnel, KPMG decided to change its prior findings.⁸ It appears,

⁷The design of Qwest’s systems is additional evidence that Qwest’s retail representatives can access LFACS directly. Qwest’s retail systems are designed to allow access to multiple Qwest systems. This access may be in what is called a “cut through” mode, where the system used by retail personnel can establish a link to LFACS, either directly or through a third system. Even a third system, however, serves only as a connecting link and does not alter or filter the transaction in any way. In this way, Qwest personnel have access to the functionality and data of LFACS, even though they may technically be using a different system.

⁸See Summary of Surreply of Barbara Brohl filed September 9, 2002 in Minnesota PUC Docket No. P-421/C1-01-1371, at 3 (attached hereto as Attachment 2). Some of the Qwest personnel with whom KPMG met appeared as witnesses for Qwest on the loop qualification information issue in Section 271 hearings before State commissions, and were thus familiar with Qwest’s advocacy position (including Qwest’s denial that its retail personnel have access to LFACS).

however, that KPMG changed its opinion simply because it was persuaded to do so in these subsequent interviews, without actually reviewing Qwest's retail systems to determine whether the representations of Qwest were accurate.⁹

30. LFACS, however, is not the only database containing loop qualification information to which CLECs are denied access. When an order for a loop is submitted for a wholesale or retail customer, but facilities are currently unavailable, the order is referred to Qwest's Loop Provisioning Center as part of Qwest's "11-step process." The Loop Provisioning Center has access to all of Qwest's databases containing information that could be used in loop qualification or in decisions as to where facilities for advanced services can be placed. One of those databases is TIRKS (Trunk Integrated Record Keeping System), which contains information regarding the availability of fiber loop facilities that have not yet been assigned. This information would not be included in LFACS or in the loop qualification data tools that Qwest makes available to CLECs, because information regarding fiber loops will be stored in LFACS only when such loops are actually in use. There is no indication that Qwest has given CLECs access to the fiber loop information stored in TIRKS.

31. Because Qwest is denying CLECs the same access to loop qualification information that is available to its own personnel, it is clearly denying parity.¹⁰

⁹ In its recent Minnesota filing, Qwest stated only that KPMG "met with Qwest retail and wholesale personnel, and witnessed demonstrations of the various loop qualification tools." *Id.* As previously indicated, however, LFACS is not accessed through the loop qualification tools; instead, Qwest filters information from LFACS before it transfers any information from LFACS into those tools. There is no indication that KPMG attempted, through actual observation of Qwest retail personnel, to determine whether a Qwest retail operative can access LFACS.

2. Qwest Does Not Permit CLECs To Perform or Request a Pre-Order Mechanized Loop Test, Even Though Qwest Can – and Does – Perform Such Tests In Its Retail Operations.

32. CLECs need the ability to perform a mechanized loop test (“MLT”), or have an MLT performed on their behalf by Qwest, in some circumstances, before the loop is provisioned. An MLT enables the user to perform a quick test on a loop and, in a few seconds, retrieve essential data regarding the characteristics of the loop (including loop length, insertion loss, and the presence of integrated digital loop carriers). Thus, a CLEC can use the MLT to determine whether a particular loop supports the services that the customer requests, including advanced services. In addition, the use of MLTs on a pre-order basis would enable the CLEC to verify the accuracy of the loop qualification information that Qwest makes available to CLECs. There are situations where a CLEC has reason to believe that the loop information in Qwest’s systems is inaccurate, as when one residence already has advanced services and Qwest’s systems state that the house next door cannot accommodate the same service. A quick MLT can help to clarify the issue.

33. Although Qwest has asserted that MLTs are used only for maintenance and repair,¹¹ this assertion is incorrect – as Qwest is well aware. Qwest has acknowledged that it

¹⁰Qwest has attempted to obfuscate the issue of access to LFACS by accusing AT&T of seeking “direct” access to LFACS. Although Qwest engineers *do* have direct access to LFACS, AT&T does not object to accessing LFACS through an interface or through some form of mediated access (such as IMA), as long as AT&T can retrieve information from LFACS to the same extent as Qwest itself (*i.e.*, without having the information “filtered” by Qwest). By providing CLECs only with limited, filtered information from LFACS, Qwest is denying parity.

¹¹For example, in the *Qwest I* proceeding Qwest asserted that the “MLT is primarily a repair test. It is not meant to be nor was it ever designed to be a pre-order qualification tool for loops. The retail Qwest DSL pre-qualification process does not include ‘live’ MLT testing.” Qwest I Notarianni/Doherty Reply Decl., ¶ 48.

has performed MLTs in its retail operations in the areas where it determined it would operate its “Megabit” service. Qwest also performed MLTs to obtain information on loop lengths to the extent that no such information was in LFACS.¹² Moreover, Qwest has stated that it “continually updates” the information in its databases regarding loop lengths on a “rolling basis” by performing MLTs.¹³ Even leaving aside the MLTs that it has performed to acquire information regarding loop lengths, documents produced by Qwest in discovery in Section 271 proceedings before state regulatory commissions show that Qwest performs MLTs on loops before service has been provisioned to determine whether it can provide DSL to its retail customers.

34. Finally, unbeknownst to CLECs, Qwest has already been performing MLTs during the provisioning of CLEC loops. As described in the Declaration of Edward Stemple, customer service representatives at Qwest’s QCCC have performed MLTs on each line that was to be “cut over” from Qwest to a CLEC.¹⁴ Although those MLTs may have involved only “hot cuts” (as opposed to migrations of customers who are provided service through resale or the UNE platform), the MLTs that the QCCC performed clearly occurred in the pre-order

¹²See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 153; Qwest II Notarianni/Doherty Decl, ¶ 105.

¹³See September 10 Minnesota transcript at 135, 155-156 (Attachment 1 hereto) (testimony of Barbara Brohl). Qwest has attempted to explain the MLTs that it performs as “limited MLTs” that are only of brief duration and are not performed on every loop. *Id.* Even if true, however, Qwest’s explanation does not change the fact that it performs MLTs outside of the repair context – thus contradicting its description of MLTs as a purely repair function.

¹⁴Qwest has previously asserted that “Retail sales employees are neither trained on nor do they have access to MLT.” See *Qwest II Notarianni/Doherty* Decl, ¶ 48. This statement is, at best, misleading. As Mr. Stemple makes clear, Qwest’s wholesale representatives at the QCCC had access to, and some training in MLTs.

stage. Given Qwest's own performance of MLTs on CLEC-served lines on its own in the past, there is no reason why it should not be required to give CLECs the same ability.¹⁵

35. In the reply comments that it filed in *Qwest I* and *Qwest II*, Qwest offered a variety of reasons why it should not be required to perform MLTs in the pre-order stage, none of its justifications withstand scrutiny. For example, Qwest claimed that its loop qualification tools are "more comprehensive and accurate" tools than the MLT, and contain all of the MLT information that the CLECs are seeking.¹⁶ This is incorrect. First, not every copper loop in the RLDT has an MLT distance. Second, Qwest has admitted that the only information in the Raw Loop Data Tool associated with MLTs is the MLT distance. *Qwest II Notarianni/Doherty Decl.*, ¶ 44. However, MLT distance is only one of the types of information that can be derived from an MLT. An MLT, for example, would enable a CLEC to determine the presence of any electronics or equipment on the loop that would interfere with DSL service – information that is very important in determining whether the loop will support the services that the CLEC seeks to provide.

36. Third, Qwest has previously acknowledged in its prior filings that the loop qualification information that it makes available to CLECs is not always accurate. *See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl.*, ¶ 151. Qwest has previously admitted before this

¹⁵ The fact that Qwest has performed pre-order MLTs for lines "cut over" to CLECs does not remove the need for CLECs to have the same capability. Mr. Stemple indicates that the accuracy of the data obtained from the MLTs was highly questionable, given that many of the QCCC personnel had little training in performing MLTs. CLECs would still need to perform MLTs to determine whether the data in Qwest's databases are accurate.

¹⁶ *See, e.g., Qwest II Notarianni/Doherty Reply Decl.*, ¶ 44; *Qwest I Notarianni/Doherty Reply Decl.*, ¶ 44.

Commission that it conducted MLTs to correct inaccuracies and omissions regarding loop length information in its databases. Qwest II Notarianni/Doherty OSS Decl., ¶ 105.

37. More recent statements by Qwest make clear that the loop length information in its databases is not fully accurate. In recent Minnesota proceedings, Qwest's witness acknowledged that Qwest performs an MLT on only one loop in a customer serving terminal, and simply assumes that the loop distance for that loop is the same for all other loops in that serving terminal.¹⁷ Thus, for many loops, the loop length data in Qwest's databases do not constitute the *actual* lengths for those loops, but simply an average based on a sample.¹⁸ There are numerous reasons why the use of a sample will not be accurate for the total. For example, the loop that is chosen for the test may have bridge taps or may have terminal equipment that creates an inaccurate result. It is always better to test the actual loop that will be used, when testing is deemed necessary.

38. Qwest also has suggested that it has loaded into the loop qualification tools all of the loop length information from the MLTs it has conducted. *See, e.g.*, Qwest II Notarianni/Doherty Reply Decl., ¶ 46. Qwest, however, misses the point. Because Qwest can

¹⁷ See September 10 Minnesota Tr. at 135 (Attachment 1 hereto) (Qwest "actually performs an MLT on only one loop in a customer serving terminal. That distance is then adjusted because of all the other loops that might be in that serving terminal, and then that particular distance is applied to all of the loops in that serving terminal, thereby performing a test once and being able to use that result across many loops"). *See also id.* at 183-184 (acknowledging that "whatever area is served by that particular green serving terminal, Qwest uses that [loop length] for every other loop within that serving area to that terminal").

¹⁸ Qwest has cited its "recent change" procedure to support the claim that the information that in the loop qualification tools is kept current and accurate. Qwest II Notarianni/Doherty Reply Decl., ¶ 76. The "recent change" process, however, only makes changes to the information in the tools to the extent that Qwest discovers in the normal course of its business that the existing information is inaccurate.

perform – and does perform – MLTs for purposes of its own retail operations, parity of access requires that CLECs be given the same ability. As previously indicated, one of Qwest's purposes in performing the MLTs was to verify the accuracy and completeness of information in LFACS. Such verification is one of the reasons why CLECs also need to perform MLTs on a pre-order basis.¹⁹

39. Qwest has also contended that an electronic MLT can only be performed on loops with working telephones that are connected to a Qwest switch. Qwest II Notarianni/Doherty Reply Decl., ¶ 53. In pre-order situations, however, the loop is still attached to the switch. Consequently, either Qwest or the CLEC could conduct an MLT using an interface to the Qwest switch.

40. Finally, Qwest has claimed that if its loop qualification tools produce inaccurate information, CLECs can request that Qwest conduct a manual search of its records to obtain loop make-up information. *Id.*, ¶ 55. Qwest, however, has not shown that the manual process – which Qwest made available only a few months ago – is effective or can be completed in a timely manner. The manual process has not been tested. Moreover, in proceedings last

¹⁹ Moreover, it is AT&T's understanding that Qwest performed these MLTs on an extensive number of loops in the areas where Qwest had determined that it intended to market its retail "Megabit" service. As a result, Qwest has already pre-qualified the loops on which it wants to provide its retail DSL service. Although Qwest corrected some information in LFACS based on this project, it did not correct the LFACS database for all loops in wire centers that reside in LFACS. For example, in Colorado Qwest's MLTs only affected loops in 38 out of 178 wire centers. Although such testing may have provided Qwest with the information that it needs on the loops that it wishes to serve, there remain a significant number of loops for which Qwest did not perform MLTs – but which CLECs might wish to serve. The CLECs should not be limited in their marketing to areas that match Qwest's business plans.

month in Minnesota, Qwest acknowledged that as of early September 2002, only one CLEC had requested a manual search – and had done so only on two occasions.²⁰

41. In any case, the existence of a manual search process does not eliminate the need for CLECs to be able to perform, or have performed, MLTs on a pre-order basis. A manual search will be of no value to CLECs if the information in Qwest's systems is inaccurate. CLECs will still need pre-order MLTs to verify the accuracy of the information that Qwest provides (whether manually or electronically).

B. Qwest's Pre-Ordering and Ordering Processes Are Unnecessarily Complex and Burdensome, and Deny CLECs a Meaningful Opportunity To Compete.

42. The pre-ordering and ordering processes that Qwest has imposed in its regions are far more complex than those developed by other RBOCs. A comparison of Qwest's processes with those of other RBOCs demonstrates that Qwest's processes are unnecessarily complex and burdensome, require CLECs to expend substantial additional time and costs to provide service to their customers, and increase the risks of order rejections. The differences between Qwest's processes and those of the other CLECs are described below, and summarized in the table attached hereto as Attachment 3.

43. In regions served by other RBOCs, a CLEC begins the pre-ordering process by retrieving the customer service record ("CSR"). The CLEC retrieves the CSR simply by typing the customer's telephone number (or, if no telephone number exists, the circuit

²⁰ September 10 Minnesota Tr. at 222-223 (Attachment 1 hereto) (testimony of Barbara Brohl).

number) into the CSR inquiry of the pre-ordering interface. After retrieving the CSR, the CLEC confirms with the customer whether the information in the CSR is accurate.

44. If the customer desires to order service, the CLEC then proceeds to prepare the LSR. Because the RBOC provides information on the CSR in parsed form, the CLEC can auto-populate data from the CSR directly onto an order, thus avoiding the necessity of manually re-typing the data. The information that the CLEC can auto-populate into an LSR includes the information in the CSR's service and equipment ("S&E") section, which can be readily auto-populated because it is based on the end-user's telephone number.²¹

45. CLECs in the regions of other RBOCs are required to include the name and telephone number of the customer, the features that the customer desires, and the line class code on the LSR. CLECs in those regions are *not* required to populate the LSR with the customer's address or retail class of service. Nor does a CLEC need to differentiate between the services that the customer has been taking from Qwest (but wishes to retain even after migrating to the CLEC) and any new, additional services that the customer is taking from the CLEC. Instead, the RBOCs simply require the CLEC to use one class of service USOC to signify UNE-P service, and a single activity code ("V") for all features to signify a migration. (It should be noted that prior to Qwest's release of IMA version 6.0 in February 2001, Qwest required the

²¹ In the S&E section of the parsed CSRs of RBOCs other than Qwest, the telephone number is followed by the line-based features associated with the number, including features, the preferred interexchange carrier ("PIC") code, the local PIC ("LPIC") code, and the line class code. The CLEC's systems therefore "know" what information follows the telephone number, and are therefore able to local the data and populate the LSR efficiently. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 136.

CLECs only to indicate on the LSR the services and features that the customer wanted after the migration was complete, regardless of whether they were “retained” or “new.”)

46. CLECs in Qwest’s region, however, encounter a far more complex process. As in the other RBOCs’ regions, a CLEC in Qwest’s region begins the pre-ordering process by retrieving a CSR. However, Qwest requires that to retrieve a CSR, the CLEC insert not only the telephone number, but also the customer’s name and certain major components of the customer’s address.

47. If the end-user decides to take service from the CLEC, the CLEC will then prepare an LSR for submission to Qwest. However, auto-populating data from the CSR onto the LSR is extremely difficult. Information in the service and equipment section of Qwest’s parsed CSR is grouped based on the universal service ordering codes (“USOCs”) for the various products and services ordered by the customer. Each USOC on the parsed CSR is parsed by a string of data that contains the telephone number associated with the USOC. CLECs using the parsed CSR must parse the data in the S&E section to determine the applicable telephone number, as well as the line-based features associated with that particular number. This would require the CLEC to search separately for USOCs, field identifiers, the customer’s telephone number, and digits for the intraLATA carrier PIC, the digits for the line class code, and each line-based feature. This task would be even more difficult if, as is common, the customer takes more than one feature (and the parsed CSR therefore contains several “strings” of data). As a result, the CLEC is likely to populate the information manually onto the LSR. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 137.

48. Regardless of whether it is able to auto-populate all necessary data from the CSR onto the order, the CLEC must include on the LSR a substantial amount of information that it is not required to include when it submits LSRs to other RBOCs. To be accepted by Qwest's systems, the LSR must include the customer's address – not merely the customer's name and telephone number. Moreover, the LSR must include the Retail Class of Service ("Retail COS") USOC for the customer, as well as the USOC for UNE-P service.²²

49. Finally, on a migration-as-specified order, Qwest requires that CLECs use different codes on the order to distinguish between those features the customer is currently taking from Qwest but wishes to retain, and new features that the customer is taking (for the first time) from the CLEC. For each feature listed on the LSR, CLECs must include activity code "V" (migrate) for features that the customer currently receives as part of his/her Qwest retail account, and activity code "N" for features not currently on the retail account but to be provided by the CLEC.

50. The aforementioned aspects of Qwest's processes impose substantial additional burdens on a CLEC. First, CLECs in Qwest's region must obtain, and use in these processes, information concerning the customer that is not required in other RBOC regions. For example, Qwest's requirement of the use of the "V" and "N" activity codes requires the CLEC to differentiate the features that the customer is purchasing for the first time, and the features that the customer has already been purchasing from Qwest. CLECs must also determine the end-

²² A Retail COS USOC signifies the type of service that the end-user was taking on a retail basis from Qwest. Examples of Retail COS USOCs are "flat rate-residential" and "flat rate-business."

user's Retail Class of Service, which is located on the customer's CSR. Making these determinations requires the dedication of additional time and costs.

51. Second, Qwest's processes increase the likelihood of order rejections, because they require the CLECs to include additional information on the LSR beyond that required in other regions. If the CLEC fails to populate the proper "V" and "N" activity codes, the correct Retail Class of Service, or the correct address information, Qwest will reject the order. As a CLEC includes more and more information on an LSR, the risk of errors in such entry increases, and with it the possibility of order rejections. The likelihood of rejections is further increased when the CLEC enters data manually

52. A striking example of the increase in the risk of order rejections caused by Qwest's processes is Qwest's requirement that CLECs include the service address on the LSR. Unlike the other RBOCs, Qwest has not implemented "telephone number migration," which is a functionality that allows a CLEC to submit the LSR simply by including the end-user's telephone number – without having to type in the end-user's address. As the Commission has previously noted in describing the TN migration functionality of SWBT and BellSouth, TN migration can "virtually eliminate address-related rejects received by competing LECs on most types of orders."²³

53. Third, the additional steps that a CLEC is required to take in Qwest's region increases the time that a CLEC takes to complete the pre-ordering and ordering processes.

²³*Texas 271 Order*, ¶ 160. See also *Georgia/Louisiana 271 Order*, ¶ 125 (finding that BellSouth's implementation of TN migration "has reduced the percentage of rejected orders,

A CSR query takes longer in Qwest's region because of the need to submit additional information. Furthermore, if that information is incorrect, Qwest is likely to return a CSR for a different customer – and the CLEC will be required to submit another CSR query. Similarly, the time to complete the LSR is increased by the need to include the address information and additional codes required by Qwest. That time is further increased by the CLEC's need to determine the customer's Retail Class of Service code (which the CLEC can obtain only by retrieving the CSR) and differentiating between "retained" and "new" features. Finally, regardless of whether it attempts to auto-populate information from the S&E section of the CSR, a CLEC will be forced to expend additional time either to identify the correct S&E data to be auto-populated or to manually enter the data on the LSR.

54. The impediments created by Qwest's processes have directly impacted AT&T. Because of the difficulties in retrieving information from the service and equipment section of the CSR, and in obtaining information regarding the customer's Retail Class of Service, AT&T has determined that the costs of using the EDI interface to submit UNE-P orders outweigh the benefits. Instead, AT&T uses Qwest's GUI interface to conduct pre-ordering and ordering in connection with its provision of service through the UNE platform. Even that approach, however, puts AT&T at a competitive disadvantage, because the GUI cannot be integrated with AT&T's own systems. In order to store information from LSRs in its own systems, AT&T must type the same information twice – once into the LSR and once into its own systems. Such a process simply increases the cost and time required to complete an order.

especially address related errors").

55. The different processes used by other RBOCs simply demonstrate that the aforementioned aspects of Qwest's processes are not only unreasonably burdensome on CLECs, but unnecessary. Other RBOCs do not require a CLEC to include name and address information in a CSR query. Other RBOCs do not base the orientation of the S&E section of a parsed CSR on the USOC. Other RBOCs do not require the inclusion of the end-user's service address or Retail COS on the LSR, and do not require CLECs to differentiate on the LSR between existing and new features.

56. Qwest itself has recognized that these features are unnecessary. Qwest, for example, has agreed to implement Z-Tel's change request to modify the migration-as-specified process to eliminate the requirement of using "V" and "N" codes on the LSR to differentiate between "retained" and "new" features. Qwest has also agreed to implement WorldCom's change request to implement "TN migration." According to Qwest's latest application, both change requests will be included in IMA Release 12.0, which is currently scheduled for implementation in April 2003.²⁴

57. Qwest has also agreed to implement a change request sponsored by AT&T (Change Request SCR043002-01) to remove the requirement that CLECs include name and address information to retrieve a CSR. It appears that this change request will also be included in IMA Release 12.0.²⁵

²⁴ Qwest III Application, Addendum, "Status of 'Conversion As Specified' and 'Migration by TN' Change Requests," at 1, 3-4.

²⁵ AT&T's change request, if implemented, will eliminate another deficiency in Qwest's system. Currently, when a CLEC types customer information into the CSR query, and more than one

58. The implementation of these three improvements will be a welcome development.²⁶ That implementation, however, remains six months away – and, given their use in other RBOCs' processes, should have occurred long ago. Even after implementation occurs, some period of commercial experience will be required before their effectiveness can be determined. Even assuming that the improvements are effective, Qwest's processes will still continue to impose such requirements as the inclusion of a Retail COS on each LSR, and provide a parsed CSR that cannot be fully used to auto-populate an LSR. Until Qwest removes these

CSR exists for that customer, Qwest will respond by displaying all of those CSRs, regardless of which of them is "live." The CLEC must then determine which of the CSRs is correct. This procedure, like others unique to Qwest, simply increases the time that a CLEC must take in order to complete an order transaction. Under AT&T's change request, however, only the "live" CSR would be displayed.

²⁶Qwest suggests that AT&T does not regard either modification of the migration-as-specified process or telephone number migration as necessary, because AT&T declined to support WorldCom's Exception Request to implement both functionalities by the end of 2002. Qwest III Application, Addendum, "Status of 'Conversion as Specified' and 'Migration by TN' Change Requests" at 2-3. Qwest is incorrect. Although AT&T believes that implementation of these change requests would improve Qwest's processes, it declined to support the Exception Request because of the disruptive effects that would have occurred if the changes had been implemented under the timetable requested by WorldCom. Because WorldCom had requested implementation by the end of 2002, implementation would have occurred little more than three months after the vote on the Exception Request was taken on September 19, 2002. AT&T has long been concerned with Qwest's inadequate timelines for delivery of draft developer worksheets and final coding specifications. Only after prolonged negotiations did Qwest agree to timetables that are sufficient to allow AT&T sufficient time to migrate to Qwest's IMA releases. In AT&T's view, the short time frame between the September 19th vote and the end of 2002 would have been insufficient for CLECs to "hard code" the changes sought in WorldCom's Exception Request on their side of the gateway prior to implementation. In addition, Qwest could have implemented the changes only through a special major release – which would have had the effect of creating four versions of a production release. Because Qwest's versioning policy only supports three versions at any given time, Qwest would have retired IMA Release 10.0 if it implemented the special release. AT&T could not support this result, since it currently uses Release 10.0 and intends to "skip" to Release 12.0 when it is implemented in April 2003. Finally, AT&T was concerned that the approval of WorldCom's Exception Request might result in delay of the implementation of other change requests that AT&T supported, including AT&T's own change requests to lift the name and address field requirement for the retrieval of a CSR and to include the application date on a pending service order notice.

unnecessary impediments, it cannot reasonably be regarded as giving CLECs a meaningful opportunity to compete.

C. The Ordering and Provisioning Capabilities of the OSS Continue To Be Plagued By High Rates of Order Rejections, Manual Processing, and Manual Errors.

59. When Qwest submitted its two previous applications, the evidence showed that: (1) its order rejection rates were unreasonably high by any standard; (2) Qwest placed excessive reliance on the manual processing of CLEC orders; and (3) Qwest's manual processing of CLEC orders was characterized by high rates of error.²⁷ That remains the case today.

60. Qwest's rejection rates have not materially changed from the unacceptably high exception rates that CLECs were experiencing at the time the *Qwest I* and *Qwest II* applications were filed. In August 2002, as in past months, approximately 30 percent (or nearly one-third) of CLEC orders were rejected either electronically ("auto-rejected") by Qwest's systems or manually. The table below shows the regionwide rejection rates for each month since May, by interface (IMA GUI or EDI) and by method (auto-rejected or manual).

Rejection Rates – May – August 2002

	May	June	July	August
IMA – Manual	4.05%	4.35%	2.25%	2.41%
IMA – Auto	30.72%	31.30%	32.17%	31.07%
EDI – Manual	7.62%	8.19%	4.46%	4.57%
EDI – Auto	22.24%	24.11%	24.10%	20.28%

²⁷ See, e.g., AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶¶ 162-200; AT&T (Qwest I) Finnegan/Connolly/Menezes Decl., ¶¶ 145-174.

61. These high rates deny CLECs constitute a denial of parity. Rejections of orders increase a CLEC's costs, because a CLEC must resubmit the order or submit a supplemental order after it receives a rejection notice. Rejections also increase the likelihood that an order will not be provisioned on the due date that the CLEC placed on the original LSR. Qwest's retail operations do not experience these problems, because its representatives use systems that will not even permit an order to be released into Qwest's systems if an error exists in the order.

62. Qwest is likely to attribute the high rates of order rejections to "CLEC errors." Qwest, however, bears responsibility for at least a significant part of the problem. As described in Part II-B, certain aspects of Qwest's pre-ordering and ordering requirements – which do not exist in the OSS of other RBOCs – increase the likelihood of order rejections. These include Qwest's requirement that a CLEC include address information and Retail Class of Service Codes on an LSR; Qwest's requirement that a CLEC use different codes on the LSR to differentiate between features that the customer is simply migrating to the CLEC and new features that the customer is adding to its account; and a parsed CSR that, due to its orientation based on USOCs, makes it unreasonably difficult for CLECs to auto-populate service and equipment information on the LSR.

63. Although these unique aspects of Qwest's processes increase the likelihood of rejections, Qwest has made no attempt to submit data that show the percentage of rejections truly due to "CLEC errors," and the percentage of rejections attributable to its unique

system design and ordering requirements.²⁸ As a result, Qwest cannot blame CLECs for rejection rates, or rely on any similarity between the level of its rejection rates to those of other RBOCs whose Section 271 applications have been approved by this Commission.

64. In addition to their high order rejection rates, Qwest's OSS continue to flow through an inadequate percentage of non-rejected CLEC orders. The flow-through rates for almost half of the principal categories of orders were lower in August 2002, as compared to May 2002. The total regionwide flow-through rates for resale, loops, UNE-P, and local number portability ("LNP") in May and August were as follows:

Total Flow-Through (PO-2A)

	May 2002	August 2002
Resale – GUI	72.30%	76.09%
Resale – EDI	74.70%	76.42%
Loops – GUI	38.13%	39.50%
Loops – EDI	60.61%	46.67%
LNP – GUI	60.14%	55.28%
LNP—EDI	69.55%	67.63%
UNE-P POTS (GUI)	54.04%	62.15%
UNE-P POTS (EDI)	67.34%	61.86%

Although the flow-through rates four of the eight categories showed some improvement, the overall flow-through performance of the OSS remains inadequate. In August, more than 50 percent of orders for unbundled loops, more than 40 percent of orders for UNE-P POTS, nearly

²⁸ The results of KPMG's third-party OSS testing also refute the notion that the high rejection rates are solely the result of "CLEC errors," since KPMG's own pseudo-CLEC experienced rejection rates consistent with those in Qwest's reported performance data. AT&T (Qwest I) Finnegan/Connolly/Menezes Decl., ¶ 167 n.115.

50 percent of order LNP, and nearly 25 percent of all resale orders fell out for manual processing after they were electronically submitted on Qwest's ordering interfaces.

65. The rates of manual processing in the States that are the subject of Qwest's current application also have shown little overall improvement. Based on Qwest's reported data for total flow-through of all orders that are electronically submitted (PO-2A), the percentage of orders that were manually processed actually *increased* in August, as compared with May 2002, in four of the nine States that are the subject of Qwest's application.

Percentage of LSRs Manually Processed

State	May 2002	August 2002
Colorado	32.1%	35.4%
Idaho	29.7%	39.3%
Iowa	31.1%	51.3%
Montana	29.8%	16.2%
Nebraska	28.5%	27.6%
North Dakota	46.8%	49.1%
Utah	50.7%	42.5%
Washington	39.5%	36.7%
Wyoming	53.3%	37.7%

These data show that in August, the percentage of orders that fell out for manual processing exceeded 50 percent in Iowa, 40 percent in North Dakota and Utah, and 35 percent in four other States. Like the reported rejection rates, these rates of manual fall-out are unacceptable under any standard. These rates cannot be attributed, even in part, to "CLEC errors." Qwest has not included such errors in its reported flow-through data since April 2002.²⁹

²⁹See, e.g., AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 177 n.125. In view of the exclusion of "CLEC errors" from the calculation of the flow-through rates, Qwest cannot rely on

66. Finally, like its previous applications, Qwest's application provides no reliable evidence to show that it is accurately processing orders that fall out for manual processing. KPMG's Final Report on its OSS testing expressed its concern about the numerous errors that Qwest representatives were committing on manually processed orders. Even near the conclusion of its testing, KPMG issued an observation (Observation 3110) because Qwest was assigning incorrect application dates to manually processed orders. Due to Qwest's refusal to allow further testing, KPMG closed the observation as "unresolved" at the conclusion of the test.³⁰

67. In an effort to show that its rate of manual errors is low, Qwest cites data that it has reported for two metrics: (1) PO-20 (service order accuracy); and (2) a measure that Qwest calls "Service Order Accuracy – via Call Center data."³¹ These measures, however, provide no reliable measure of Qwest's actual performance in manually processing CLEC orders. In the first place, both of the measures were developed by Qwest – without the CLECs' input or consent.³²

any alleged variations in flow-through rates among individual CLECs as evidence that the low flow-through rates merely reflect the differences in the degree of accuracy with which CLECs prepare LSRs.

³⁰ See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶¶ 180-192 (discussing manual errors encountered by KPMG in its third-party testing, and KPMG's findings).

³¹ Qwest III Application, Addendum, "'Service Order Accuracy" at 1-3, 8-9.

³² Qwest effectively admits this fact, stating that it intends to submit the two performance measurements for discussion with the CLECs in the Long-Term PID administration process. *Id.* at 3, 9. See also AT&T (Qwest I) Finnegan/Connolly/Menezes Decl., ¶ 195 (describing CLECs' objections to PO-20 as unilaterally developed by Qwest). The public service commissions of Colorado and Montana recently cited Qwest's unilateral development of PO-20 as the basis for its denial of Qwest's motion to include that measurement in its performance assurance plan. Instead, the PSCs ordered Qwest to engage in a collaborative effort with the CLECs to develop a

68. Furthermore, as discussed in detail in the Declaration of John Finnegan on Performance Data and Assurance Plans, the two metrics for which Qwest reports data are fundamentally, and fatally, flawed. For example, as proposed by Qwest, PO-20 is so limited in scope that it does not even determine whether the Qwest representatives correctly re-entered the USOCs and field identifiers ("FIDs") that identify the services and features requested by the customer. Thus, the reported PO-20 data provide no indication of whether Qwest provisioned the order accurately.³³

69. The reliability of the data that Qwest has reported under these metrics is also highly questionable. In August, for example, Qwest's reported data for "Service Order Accuracy – via Call Center Data" showed 99.61 percent of all orders to be error-free on a regionwide basis. By contrast, based on information provided to AT&T by Qwest, 2.16 percent of AT&T UNE-P orders that were provisioned during August experienced problems in

final version of this metric. Qwest III Application, Addendum, "Service Order Accuracy" at 3 n.6 (acknowledging that Colorado PUC declined to approve current form of PO-20 for inclusion in the Colorado PAP, and ordered Qwest to negotiate PO-20 with the CLECs).

³³ Qwest asserts that PO-20 does not include a comparison of the service and equipment section of the service order to the LSR, because PO-20 "was designed to evaluate idiosyncrasies in Qwest's manual processes" observed by KPMG, and "KPMG's analysis did not identify mismatches in the S&E sections of CLEC LSRs and service orders." Qwest II Application, Addendum, "Service Order Accuracy" at 4. Contrary to Qwest's description, however, KPMG *did* observe and identify problems concerning Qwest's ability to record accurately all of the features and services requested in the LSR. For example, in one of its exceptions, KPMG found that "Qwest's systems or representatives have not adequately provisioned services as specified in orders submitted by the Pseudo-CLEC." See KPMG Exception 3028 – Disposition Report, dated February 5, 2002, at 1 (attached hereto as Attachment 4). In another exception, KPMG found that a significant percentage of switch translation reports did not include the service and feature codes as requested in the LSR – indicating that the Qwest representatives had not entered them correctly on the service order. See KPMG Exception 3043, Disposition Report, dated February 5, 2002, at 1 (attached hereto as Attachment 5).

provisioning as a result of discrepancies between the LSR and the service order.³⁴ Thus, the rate of LSR/service order mismatches experienced by AT&T (which should be captured by Qwest's new performance measurement) is far higher than that reported by Qwest.

70. Even the data that Qwest reports on service order accuracy does not support its claim that its rate of errors on manually processed orders is low. The rates that Qwest reported for PO-20 from June through August ranged from 90.25 percent to 92.78 percent for resale and UNE-P POTS orders, and from 95.16 percent to 96.46 percent for unbundled loops.³⁵ Thus, even under Qwest's unduly narrow definition of this metric, Qwest committed errors on nearly 8 to 10 percent of orders for resale or UNE-P POTS, and more than 5 percent of unbundled loops. Qwest's accuracy rate with respect to loops has actually declined from June to August.³⁶

D. Qwest Continues To Deny Nondiscriminatory Access To Due Dates.

71. Qwest also denies nondiscriminatory access to its OSS because it changes due dates for CLEC orders at a far higher rate than for its own retail orders. At the time it filed its previous applications, Qwest's own performance data showed that since June 2001, Qwest

³⁴ Specifically, ** of the ***** AT&T UNE-P orders that were provisioned in the three States in the Qwest region where AT&T provides service through the UNE platform experienced provisioning problems as a result of LSR/service order mismatches. An additional ** of the orders (3.82 percent of the total) were provisioned with switch translation problems. (The causes of the provisioning problems were provided to AT&T by Qwest.) Although the LSR/mismatches are supposed to be captured in Qwest's new metric for "Service Order Accuracy – via Call Center Data," the AT&T orders experiencing switch translation problems are not captured by *any* of the existing performance measurements. See Declaration of John Finnegan on Performance Data and Assurance Plans.

³⁵ Qwest III Application, Addendum, "Service Order Accuracy" at 2.

³⁶ *Id.*

changed due dates for between 7 percent and 12 percent of CLEC orders per month – which was generally two or three times the rate at which Qwest changed due dates on its own retail orders.³⁷ The disparity has continued in the ensuing months. On a regionwide basis, for example, the rate of due date changes on CLEC orders was nearly three times greater in July 2002, and twice as high in August 2002, in comparison to the rate for Qwest retail orders.³⁸

72. The disparity in the rate of due date changes denies CLECs a meaningful opportunity to compete. Any change in a due date requires a LEC to notify its customer to reschedule the installation date. The customers likely to be irritated – and inconvenienced – by the schedule change, and will blame the CLEC for the problem.

73. Qwest has asserted that the disparity in due dates has occurred because Qwest frequently rescheduled CLECs' due dates to an *earlier* date.³⁹ That is incorrect. The higher rate of due date changes for CLEC orders is largely the result of Qwest's failure to verify that facilities are available on the due date requested by the CLEC after Qwest receives the LSR. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 158.⁴⁰

³⁷ AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 157.

³⁸ Regional Commercial Performance Results at 98 (showing that number of due date changes in July and August were .08 and .06 for CLEC orders, but only .03 for retail orders).

³⁹ Qwest II Notarianni/Doherty Reply Decl., ¶ 179; *ex parte* letter from Hance Haney (Qwest) to Marlene H. Dortch, dated August 8, 2002 (“Qwest August 8 *ex parte*”).

⁴⁰ In any event, as AT&T has previously shown, the “analysis” that Qwest previously submitted to show that delays in due dates occur more frequently for retail orders is totally unreliable, given its questionable methodology. Moreover, Qwest’s “analysis” – which excludes from its calculation those instances where Qwest charges the due date to an earlier date – assumes that an earlier date is always welcomed by the CLEC and its customer. This assumption ignores the fact that an earlier due date may be inconvenient to the CLEC (which must expend resources to notify the customer) and the customer (who must rearrange his/her schedule to be available on the new

III. QWEST FAILS TO PROVIDE NONDISCRIMINATORY ACCESS TO BILLING FUNCTIONS.

74. Contending that the Commission has assessed a BOC's UNE-P bills in determining whether the BOC is providing nondiscriminatory access to its billing functions, Qwest asserts that its UNE-P bills satisfy the requirements of Section 271.⁴¹ Even if its UNE-P wholesale bills are the proper measure of its performance, however, Qwest has not provided the readable, auditable, and accurate wholesale bills that are required as part of its OSS obligations.⁴²

due date) when a dispatch is required. AT&T Reply (Qwest II) at 31-32 n.98.

⁴¹ Qwest III Application, "Bill Auditability, BOS Status, Dispute Resolution Timeliness, and Accuracy/Completeness" at 17 ("Billing Addendum").

⁴² See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl. ¶¶ 249-268; AT&T (Qwest I) Finnegan/Connolly/Menezes Decl. ¶¶ 225-239; AT&T *ex parte* letter filed July 29, 2002, in *Qwest I* and *Qwest II* ("AT&T July 29 *ex parte*"). In addition to its failure to show that it satisfies the Commission's requirements with respect to wholesale bills, Qwest's latest application (like its two previous applications) provides no evidence that it meets its obligation of providing CLECs with "complete and accurate usage reports on the service usage of competing carriers' customers." See *New Hampshire/Delaware 271 Order*, App. F., ¶ 39; *Alabama 271 Order*, App. H, ¶ 39. In fact, Qwest's reported monthly performance data contain no data regarding the accuracy or completeness of DUFs. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 245. The results of the KPMG testing for the accuracy and completeness of Qwest's DUFs simply call the reliability of the systems Qwest uses for DUFs, since Qwest failed the test five separate times before it finally (and barely) passed. *Id.* Decl., ¶¶ 243-244. Qwest's own witness on billing recently acknowledged in the Section 271 proceedings before the Minnesota PUC that Qwest does not have processes in place to ensure that the DUFs it generates are complete. Transcript of hearings held October 2, 2002, in MPUC Docket No. P-421/CI-01-1371, at 198 (testimony of Alan Zimmerman).

1. Qwest's Bills Are Not Auditable.

75. Qwest's UNE-P bills are not auditable, because they are not provided in the electronic, mechanized Carrier Access Billing System ("CABS") Bill Output Specifications ("BOS") Bill Data Tape ("BDT") format. CABS is the industry standard for UNE-P electronic bills.

76. As the Commission has previously recognized, the BOS/BDT format, which is also an industry standard, allows a CLEC to use computer software to electronically (and thus readily) audit the data on the electronic bill.⁴³ Electronic auditing is the only method by which CLECs can audit Qwest's bill, as a practical matter. Attempting a complete audit of the paper bills provided by Qwest, which consist of thousands of pages in a single month, would be unmanageable and prohibitively expensive. Noting the practical impossibility of auditing paper bills, the Commission has stated that "offering BOS BDT bills is important to offering competitors a meaningful opportunity to compete."⁴⁴

⁴³ *New Jersey 271 Order*, ¶ 122 n.348 (stating that the BOS/BDT format "permits a wholesale carrier to use computer software to readily audit the data").

⁴⁴ *Pennsylvania 271 Order*, ¶ 23 n.80. In the *Pennsylvania 271 Order*, the Commission approved the application of Verizon, which (like Qwest) generated UNE-P bills from its CRIS system and provided them in a BOS/BDT format. *Id.* ¶ 17. However, it does not appear that Verizon's bills contained the numerous deficiencies (described below) in Qwest's CRIS BOS BDT bills, including the deviations of Qwest's bills from industry standards (such as the use of industry standard BOS edits). Verizon presented evidence that the performance of its bills had significantly improved since they first had been issued, and a third-party analysis of Verizon's bills provided additional assurance that the bills were readable and auditable. *Id.*, ¶¶ 25-37, 42. By contrast, as discussed below, Qwest's CRIS BOS BDT bills have showed little improvement since they were first implemented in July 2002, and have not been subjected to third-party testing.

77. Qwest, however, does not issue CABS BOS BDT bills, even though AT&T has requested such billing since 1996 – and two state commissions have required that Qwest do so. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 256. Although Qwest has issued electronic UNE-P bills in BOS/BDT format since July 1, 2002, it continues to use the Customer Record Information System (“CRIS”) to generate the bills. Unlike CABS, which is standardized by industry consensus, CRIS is not an industry standard system and varies substantially from ILEC to ILEC. Even Qwest’s three billing centers operate unique CRIS systems which provide CRIS bills in differing levels of detail – which prevents a CLEC from designing a single system even to handle Qwest’s CRIS bills.

78. For example, unlike the CRIS bills issued by Qwest’s Western Region, the CRIS bills issued by Qwest’s Central Region do not provide an overall summary of charges that identifies the total charges billed for each billing category included in the details. The absence of these summarized charges effectively prevents AT&T from performing the basic validation steps to determine those types of charges that should not have been billed.⁴⁵ It also requires AT&T to compute estimates of the amounts of the charges to be “booked” in the accounts and sub-accounts of AT&T’s general ledgers, rather than use actual charges. AT&T July 29 *ex parte* at 2-3.

⁴⁵ The bills for Qwest’s Western region, for example, include summary billing categories for monthly (recurring) charges, service additions and changes, other charges, Pay-Per-Use Services, Special Service Charges, 800 Service Line, Long Distance, Directory Assistance, Taxes, Fees and Surcharges, and Adjustments. If the bill contains charges for a particular category, and AT&T knows that it did not purchase any services in that category from Qwest (or did not otherwise incur charges in that category), it can immediately notify Qwest and request that the bill be adjusted to eliminate the erroneous charges. If the bill does not set forth summary categories, AT&T can discover the erroneous charges only by reviewing each of the hundreds of

79. Qwest asserts that the absence of summarized charges is “immaterial”, because: (1) AT&T’s claim “applies only to paper bills”; and (2) AT&T’s claim “relate to the summary portion of the bill, not the detailed usage portion that is used for auditing.” Billing Addendum at 4. Qwest, however, has provided (and can provide) no explanation for its selective inclusion of summarized charges in bills, based on the region involved. More importantly, Qwest’s argument simply ignores the facts. First, contrary to Qwest’s assertion, electronic bills issued by the Central Region do not include summary level billing information. Second, although AT&T needs access to the detailed usage portion of the bill to determine whether the total charges for a particular billing category have been correctly calculated, it also needs a summary portion of the bill to determine whether it has been billed for categories where no charges should have been billed at all.

80. Even leaving aside its continuing use of CRIS, Qwest has so limited the value of the BOS/BDT format to CLECs that it has rendered the BOS/BDT bills incapable of being auditable or accurate. Qwest’s BOS/BDT format deviates in several significant respects from industry standards for that format – as Qwest has admitted.⁴⁶ First, the CRIS BOS BDT bills are not subject to BOS edits, which ensure that all fields on the bills are populated correctly. The absence of such edits increases the likelihood that they will be inaccurate, because the CRIS

pages of bills.

⁴⁶ In its September 4 *ex parte* letter to the Commission, Qwest acknowledged that its UNE-P BOS bills differed from standard industry format in a number of respects. See Qwest *ex parte* letter on billing filed September 4, 2002, in CC Docket Nos.02-148 and 02-189 (“Qwest September 4 *ex parte*”) at 4-5.

source data will simply be mapped to a CABS format without the benefit of the CABS BOS editing process.⁴⁷

81. Second, Qwest's BOS/BDT format does not synchronize the monthly recurring charges on the wholesale bill with those on the CSR. Industry standards call for the two amounts to be measured for the same time frame. This approach enables CLECs to determine whether the bill correctly includes charges for all CLEC customers for that month, which the CLEC determines by examining CSRs. Because CSRs are provided electronically, performing the verification on a fully electronic basis will be problematic if the bill file and the CSR file are produced on different days, causing a synchronization problem.

82. Qwest, admits in its application that its bills for its Central and Eastern Region are not synchronized. Instead, because CSR data in those regions may not be processed on the same day as the bill data, "the amount reflected in the Monthly Recurring Charge Total on the bill may not match the amount reflected in the Monthly Recurring Charge Total on the CSR." Billing Addendum at 14. As a result of this lack of synchronization, the CRIS BOS BDT bills that AT&T receives from these regions are likely to be out of balance, unless and until corrected by Qwest. For example, due to the delay, new customers who begin taking service towards the end of the month may not be reflected in that month's bill. Thus, a CLEC will be required to conduct a manual reconciliation of the information in the bill with that in its own records (including CSR data, completion notices, and LSRs) to determine whether any out-of-balance

⁴⁷ AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 259. Qwest states in its latest application that to create the bill in BOS/BDT format, Qwest "converts the CRIS billing data into a BOS format and transmits it to the CLEC." Billing Addendum at 13.

condition is due to the delay in CSR updating or to some other problem. This process will require the expenditure of substantial time and costs.

83. Third, contrary to industry standards, Qwest's CRIS BOS BDT bills do not contain USOCs or FIDs identifying the features or services for which AT&T is being billed. As a result, the bill simply lists various charge amounts without providing any information that would enable the CLEC to determine the particular service or feature for which each charge is being billed.

84. Fourth, contrary to industry standards (and the practices of other RBOCs), Qwest's CRIS BOS BDT bills "lump" nonrecurring and other charges into broad and undefined categories, such as Phrase Code X15 ("Charge for Unbundled Services") and Phrase Code X18 ("Adjustment for Unbundled Services") that do not allow CLECs to reconcile certain charges (such as UNE-P service order charges) with orders. See AT&T August 29 *ex parte* at 3; Qwest September 4 *ex parte* at 5. As a result, AT&T cannot relate the type of charge and adjustment by order number and by USOC – and, as a practical matter, is therefore unable to determine whether the charges are correct.

85. Qwest does not dispute that the use of its codes on CRIS BOS BDT bills precludes such verification. Instead, Qwest again reasons that the codes "are exclusive to BOS and do not appear on ASCII or EDI bills," and that this "issue" has been placed on the

“Differences List” which advises CLECs of disparities between its BOS/BDT format and industry standards. Billing Addendum at 5. These explanations are without merit.⁴⁸

86. The fact that the codes do not appear in ASCII or EDI bills simply begs the question. Qwest has offered no reason why the codes should appear in one billing format, but not in two other formats for its CRIS bills. The use of these codes in bills with the BOS/BDT format simply discriminates against CLECs that have selected the BOS/BDT format for UNE-P bills.

87. Furthermore, Qwest’s suggestion that AT&T can simply use the ASCII or EDI formats is incorrect. It is imperative that CLECs which, like AT&T, intend to market nationwide on a mass-market basis be able to design a standard system to receive, translate, and handle all bills that they receive from the ILECs. Such a single system is possible only when the industry standard CABS BOS BDT standard is used.

88. Although all RBOCs offer electronic billing in BOS/BDT format, not all of the RBOCs other than Qwest offer bills in ASCII or EDI format. Verizon, for example, provides electronic bills in BOS/BDT format, but not in ASCII or EDI. Thus, CLECs operating in all of the RBOCs’ regions, such as AT&T, would be required to build different billing systems for different RBOCs if they received Qwest’s CRIS bills in ASCII or EDI format. Building these

⁴⁸ Qwest also suggests that it may eliminate the use of the codes in the BOS/BDT format at some undefined point in the future. See Billing Addendum at 5 (stating that “Qwest is continuing to work on its BOS offering and will continue to implement improvements”). The possible elimination of these codes in the future, however, is irrelevant to the problems that they create for CLECs attempting to audit the CRIS BOS BDT bill *today*. See *Michigan 271 Order*, ¶¶ 55, 179 (a BOC’s promise of future compliance with Section 271 is irrelevant to the issue of its current compliance with the checklist).

different systems would be extremely costly and cumbersome. There is no reason why a CLEC should be required to incur such expense, when it can build a single system based on the BOS/BDT industry standard that every RBOC, including Qwest, offers.⁴⁹

89. More fundamentally, the publication of Qwest's use of the X15 and X18 codes – and the other deviations in Qwest's BOS/BDT format from those called for by industry standards – cannot compensate for Qwest's failure to abide by those standards. Compliance with those standards would permit large-volume CLECs to design the standard systems that they need to operate efficiently. Given that other RBOCs have complied with those standards, there is no reason why Qwest cannot do so.

90. Qwest's CRIS BOS BDT bills differ from industry standards in another critical respect that impedes their auditability. Unlike the wholesale bills generated by other RBOCs, the Qwest CRIS BOS BDT bill does not provide a breakdown of usage by jurisdiction (*i.e.*, originating minutes of use by Local and by IntraLATA; terminating minutes of use by Local, intraLATA, and interLATA). Without such a breakdown, a CLEC cannot confirm whether the charges are consistent with actual CLEC orders, or determine its actual tax liability to various jurisdictions. As a result, AT&T is required to estimate usage amounts, and its tax liability, for each jurisdiction by performing a manual study. This process not only increases AT&T's costs, but raises the risk that it will overpay its taxes. *See* AT&T July 29 *ex parte* at 3.

⁴⁹ Although Qwest asserts that the "largest volume CLEC operating within Qwest's operating region receives ASCII-formatted bills," it fails to identify the CLEC to which it refers. Billing Addendum at 6. That CLEC is certainly not AT&T, which has never received bills from Qwest in ASCII format.

91. Qwest, in response, simply asserts (without elaboration) that it “does in fact provide AT&T with the means to separate local from intraLATA usage by doing so in its paper and electronic formatted bills.” Billing Addendum at 5. To the extent that Qwest is claiming that it advised AT&T of a method by which AT&T might perform such a breakdown by itself, Qwest is incorrect – and Qwest does not even describe such a method.⁵⁰

92. As in the past, Qwest asserts that ASCII and EDI bills “can be audited using readily available commercial software” – and attacks at length AT&T’s July 29 *ex parte* letter describing the unfeasibility of such an approach as a practical matter.⁵¹ Once again, Qwest cites the availability of Microsoft Access and Microsoft Excel, and the existence of software vendors, to support its claim. Billing Addendum at 6-12.

⁵⁰ Qwest also cites the terms of AT&T’s interconnection agreement with Qwest as proof that AT&T does not need a breakdown of local and intraLATA usage. Billing Addendum at 5. AT&T, however, does not use the provisions of the AT&T interconnection agreement to order the UNE platform from Qwest. Instead, AT&T orders the UNE-P pursuant to the interconnection agreement between TCG and Qwest, which does not contain the contractual provision cited by Qwest. Copies of excerpts from the amendment to the Qwest-TCG interconnection agreements in Colorado, Arizona, and Washington (where AT&T is currently offering service through the UNE platform), which made the agreement applicable to the ordering of the UNE platform, are attached hereto as Attachment 6. Furthermore, Qwest’s reliance on AT&T’s current contract negotiation proposal (Billing Addendum at 5) is disingenuous. During negotiations in August 2002, Qwest pointed out (in response to the proposal) that the contract should not provide, and should not have provided, for the identification of “local toll charges” on the bill as “local,” because such language was contrary to the intent of both AT&T and Qwest that the Qwest bills identify charges separately for each of the five “jurisdictions” of types of traffic – *i.e.*, interstate, intrastate/interLATA, intrastate/intraLATA (local toll), interstate/intraLATA, and local. AT&T agreed. Qwest then proposed alternative language providing that “appropriate industry guidelines will be followed” on each bill where a jurisdiction is identified. In other words, Qwest itself is proposing that the contract be clarified to require a separate breakdown of local and intraLATA usage.

⁵¹ See Billing Addendum at 6-12; AT&T July 29 *ex parte* at 3-6.

93. Qwest, however, misses the point. Even assuming that ASCII or EDI are otherwise suitable for large-volume CLECs (and they are not), AT&T's position is not that the use of Microsoft Access, Microsoft Excel, or other commercially available software to audit Qwest's electronic bills is inherently infeasible. Rather, such software, *by itself*, would not enable a CLEC to do so. A CLEC could use existing software to audit the bills only if it developed additional, specialized software – including development of the required programs and coding – or if a third-party software developer did so on a CLEC's behalf.⁵² This process would be extremely expensive and time-consuming. *See* AT&T August 29 *ex parte* at 3-6.⁵³

94. For all of its hyperbole, Qwest's attack on AT&T's "specious 'investigation'" of third-party software vendors (Billing Addendum at 12) does not challenge the substance of AT&T's discussion of these vendors in its July 29 *ex parte* letter. For example, Qwest does not dispute that it did not reveal the identities of these vendors to CLECs until it described them in its *ex parte* letters to the Commission in *Qwest I and II*, and in the Notarianni/Doherty Reply Declaration in *Qwest I*. *See* AT&T July 29 *ex parte* letter at 3; Billing Addendum at 9. That fact, by itself, casts doubt on Qwest's claims regarding the use of commercially available software. Qwest and the CLECs have had numerous discussions of

⁵² Thus, contrary to Qwest's assertion, the fact that a CRIS-generated bill would have to be converted to a vendor's system is not proof that such conversion is feasible as a practical (as opposed to a technical) matter. *See* Billing Addendum at 9. The bills could be "appropriately manipulated for purposes of auditing" (*id.*) only if the CLEC dedicated enormous time and resources to the effort.

⁵³ Qwest suggests that the auditability of its bills is evidenced by the submission of claims for billing adjustments by CLECs, and by the levels of the disputed amounts. Billing Addendum at 8. This argument is illogical. The filing of billing claims does not mean that an electronic bill is auditable. AT&T, for example, has filed claims with Qwest based on its limited review of its *paper* bills (which are too lengthy to audit in their entirety).

billing issues in meetings held by the Technical Advisory Group. AT&T has raised the issue of the lack of auditability of CRIS bills with Qwest since 1999. The issue was also discussed in the State 271 proceedings. On none of those occasions, however, did Qwest identify those vendors – even though, given the nature of the discussions, it would have been expected to do so.⁵⁴

95. Furthermore, Qwest does not dispute AT&T's evidence that the software offered by these vendors cannot be readily used or converted to audit CLECs' bills. Although it ridicules AT&T's investigation of broad:margin, for example, Qwest does not deny AT&T's basic points: (1) broad:margin's systems are most often applied for *access charge* verification (and are therefore unsuitable for the auditing of wholesale bills); and (2) AT&T would be required to pay a substantial price to broad:margin to develop the necessary solution.⁵⁵

96. Finally, because it is implemented from the CRIS system (rather than from CABS), Qwest's BOS/BDT bill lacks certain details set forth in the CABS/BOS industry guidelines that CLECs need to audit bills in a meaningful way. Qwest's process of converting CRIS billing data into a BOS format does not ensure that all data elements that are in CABS are also included in CRIS. To the extent that data elements in CABS are not in CRIS, the elements will be provided as null values in the billing output.

97. The failure of Qwest to provide electronic bills that CLECs can readily audit denies them a meaningful opportunity to compete. Because paper bills cannot be audited as

⁵⁴ In the change request that it submitted to Qwest in September 2002 for CABS BOS BDT billing, AT&T stated that the change was necessary because CRIS bills are not auditable. In responding to the change request, Qwest did not dispute AT&T's contention. See Attachment 7 hereto.

a practical matter, the inability to audit electronic bills leaves CLECs unable to verify whether the charges on the bills are overstated or otherwise incorrect.

2. Qwest's Bills Are Not Accurate.

98. Qwest's wholesale bills are as inaccurate today as they were when Qwest filed its previous applications. Indeed, many of the inaccuracies described in AT&T's previous submissions to the Commission in *Qwest I* and *Qwest II* persist today.⁵⁶

99. The CRIS BOS BDT bills that AT&T has received from Qwest have been seriously flawed since Qwest began generating such bills on July 1, 2002. As AT&T has previously shown, AT&T was unable to even load or process the three CRIS BOS BDT bills (for Washington, Arizona, and Colorado) that Qwest originally provided in July 2002, due to incorrect suffix codes on the bills. Even after Qwest admitted the errors and resubmitted the bills, the bills were out of balance; that is, the total amount listed on the bill was inconsistent with the sum of the individualized charges, *and* with the totals on the paper version of the CRIS bill. Because of the out-of-balance condition of the bill, AT&T could not determine what amount it was actually required to pay Qwest, and was required to ask Qwest to reconcile the charges.⁵⁷

⁵⁵ See AT&T August 29 *ex parte* at 4; Billing Addendum at 10-11.

⁵⁶ See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶¶ 260-261, 265-268; AT&T (Qwest I) Finnegan/Connolly/Menezes Decl., ¶¶ 236-239.

⁵⁷ Absent a request for adjustment of the out-of-balance electronic bill, AT&T would have been required to pay the charges listed on the paper bill – which is the bill of record but which cannot be audited as a practical matter. The need to request Qwest's assistance in correcting an out-of-balance bill also can reduce the time for the CLEC to process the bill. Qwest will likely take several days to provide a corrected bill to the CLEC. If Qwest does not agree to extend the

100. The resubmitted July bills contained other major errors. The bills lacked some usage records, incorrectly coded tax data, and misformatted details for certain charges and credits. AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 261.

101. Because of the serious deficiencies in the July bills, AT&T attempted to work with Qwest to resolve them. When informal discussions proved unsuccessful, AT&T formally sought the assistance of Qwest management on August 7, 2002.⁵⁸ Since that time, AT&T has continued its efforts to work with Qwest on the problem. Nonetheless, the CRIS BOS BDT bills that AT&T has received since July have continued to be inaccurate. Because of these problems, AT&T cannot process the bills and instead must resort to CRIS paper bills for processing.

102. Specifically, the CRIS BOS BDT bills that AT&T received for July, August, and September have all been out of balance. Total charges on the bills are out of balance with the bill detail and with the CRIS paper bills. The total recurring charges on each bill also are out of balance with the information on the customer service records. In addition, because the bills AT&T receives are not sent by the same Qwest billing center, the September bills for Arizona and Colorado (which are sent by the billing center in Qwest's Western region) contained incorrect payment due dates. As a result of these problems, AT&T was unable to process the bills – and must still rely on the CRIS paper bills for processing.

original payment due date, the CLEC will have less time to process the bill before it becomes overdue.

⁵⁸ See letter from Timothy Boykin (AT&T) to Scott Schipper (Qwest), dated August 7, 2002 (attached hereto as Attachment 8).

103. In view of the continuing inaccuracies in the bills and the failure of Qwest to resolve them, AT&T sent Qwest another letter requesting Qwest's executive-level assistance on September 23, 2002. AT&T stated that the inability of Qwest to solve the problems to date raises "great concern about whether Qwest can provide accurate, reliable and auditable UNE-P bills as AT&T's UNE-P volumes increase."⁵⁹

104. Since AT&T sent its letter on September 23, however, there has been no indication that Qwest has resolved the problems. Even if the particular problems in the last three months of bills are ultimately resolved, the experience with those bills demonstrates that several months of experience with subsequent bills will be required to determine whether Qwest can transmit accurate CRIS BOS BDT bills.

105. Qwest itself has acknowledged that the CRIS BOS BDT bills are so flawed that they cannot be used in lieu of the CRIS bills that Qwest issues in paper form. In a meeting of the CLEC Users Forum on September 16, 2002, Qwest representatives stated that the CRIS paper bill would continue to serve as the bill of record, and that the CRIS BOS BDT bill for UNE-P was still "under development." Qwest reconfirmed that fact three days later, at a Change Management Process meeting on September 19. At the CMP meeting, Qwest representatives stated that "we still have an out of balance condition [with the CRIS BOS BDT

⁵⁹ Letter from Timothy Boykin (AT&T) to Judy Taylor (Qwest), dated September 23, 2002 (attached hereto as Attachment 9).

bill] that we are working to fix.” The representatives again stated that the CRIS bill is “still under development and the paper bill remains the bill of record.”⁶⁰

106. Qwest admitted in its September 4 *ex parte* letter to the Commission that numerous “issues” (*i.e.*, errors) existed in connection with its July and August 2002 CRIS BOS BDT bills.⁶¹ Qwest promised that it either had already corrected some of the problems it listed, or was “in the process” of correcting others. In its latest application, however, Qwest does not contend that it has fixed the problems that it was “in the process” of correcting when it filed its *ex parte*. Instead, Qwest simply states that it is “continuing to refine its BOS outputs to minimize and resolve problems as they arise in the future.”⁶²

107. In addition to the above-described flaws in the CRIS BOS BDT bills, Qwest’s wholesale bills to AT&T – whether paper or electronic – have contained numerous inaccuracies. Some of these inaccuracies have not been resolved even though AT&T brought them to Qwest’s attention in March 2002 – more than six months ago.⁶³

108. First, Qwest’s bills continue to include for directory advertising charges, the long-distance charges of carriers other than AT&T, and wireless expenses.⁶⁴ These

⁶⁰ See Minutes of September Monthly Systems CMP Meeting held September 19, 2002, at 6 (attached hereto as Attachment 10).

⁶¹ Qwest September 4 *ex parte* at 2-4.

⁶² Billing Addendum at 14; Qwest September 4 *ex parte* at 3-4 (describing problems that were “in the process of being corrected”).

⁶³ See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶ 266 & Att. 20 (describing inaccuracies that AT&T discovered in manual review of Qwest’s paper bills, and that AT&T raised with Qwest in March 2002).

⁶⁴ See *id.*

inaccuracies occur despite Qwest's acknowledgment that the charges are improper and Qwest's previous promises to fix the underlying problem. Although Qwest claimed that it implemented a process improvement in April to address the incorrect directory advertising charges, AT&T's bills have continued to include them.⁶⁵

109. Second, Qwest's charges for long-distance calls in its bills continue to be inaccurate. Qwest still includes charges by other long-distance carriers in the bills and – even when the long-distance charges are proper – bills the charges on an individual call basis, rather than on a minutes-of-use basis. AT&T Qwest II Decl., ¶ 267. Qwest has acknowledged the impropriety of including other IXC's charges on AT&T's bills. The issue of billing long-distance charges on an individual call basis remains an issue in contention between the parties. Regardless of whether Qwest has agreed that the charges are inaccurate, however, it is inexcusable that problems acknowledged by Qwest have taken more than seven months to resolve.

110. Third, Qwest continues to bill AT&T for 800 service line charges. *Id.* Qwest has failed even to provide AT&T with a list of the numbers to which the charges purportedly correspond.

111. Qwest's bills contain other inaccuracies in addition to those that AT&T first raised with Qwest more than six months ago. Qwest, for example, is improperly billing AT&T for charges in QwestDex (Qwest's Yellow Pages directory, which Qwest recently sold)

⁶⁵ See Qwest September 4 *ex parte* at 3 (acknowledging that "directory advertising charges were erroneously included" in the July CRIS BOS BDT bill sent to AT&T).

and Internet Service Provider charges. Both of those charges should have been billed to the end-user, not to AT&T.

112. AT&T and Qwest met on October 14, 2002, to discuss some of these errors. Although AT&T hoped that the meeting would lead to a satisfactory resolution of at least some of the existing problems, the meeting was totally unproductive. The Qwest subject matter experts who were familiar with the issues were not present, and the Qwest personnel who did attend had virtually no knowledge of the problems.

113. The continuing inaccuracies in Qwest's bills substantially impair AT&T's opportunity to compete. AT&T has already diverted substantial time and costs in attempting to resolve these problems with Qwest. In view of Qwest' continuing inability to ensure correct bills, AT&T will likely be required to devote even more resources to this effort. Unless the problems are corrected, AT&T will be required to expend even more resources as it enters the market in more States, and acquires greater volumes of customers, in the Qwest region.

114. Moreover, the inaccuracies in the bills are likely to impair AT&T's reputation with its customers. Many of the charges being billed incorrectly to AT&T are directly related to the end-user. These charges include long-distance charges, QwestDex, wireless charges, and charges for the customer's Internet Service Provider. When a customer taking any of these charges migrates from Qwest to AT&T, Qwest improperly bills AT&T, rather than the end-user, for the charges that the customer owes to Qwest. Only after AT&T notifies it of the error will Qwest credit AT&T and send a bill for the charges to the customer, which by that time has switched to AT&T. Because the process of resolving the errors can be lengthy, the bill that

Qwest sends to the customer may encompass several months of charges – and the customer, irate at the large bill, will likely blame AT&T for the problem.

115. Finally, Qwest's own performance data show that it is not providing accurate bills to CLECs. According to its application, Qwest missed the parity standard for billing accuracy (PID BI-3A) in August 2002 in seven of the nine States involved in this proceeding. Billing Addendum at 17. These data simply provide further confirmation that Qwest has failed to provide nondiscriminatory access to billing functions.

IV. QWEST STILL FAILS TO PROVIDE AN ADEQUATE TEST ENVIRONMENT.

116. The evidence submitted in response to Qwest's previous application shows that Qwest does not meet the Commission's requirement that a BOC must provide "a stable testing environment that mirrors production."⁶⁶ For example, the evidence showed that Qwest's Stand-Alone Test Environment ("SATE") does not mirror production because:

- SATE supports only some of the products and transactions that are available in the production environment;
- SATE does not generate post-order responses of the same content, and in the same manner, as the responses created in the production environment; and
- SATE, unlike the production environment, requires users to choose a "path" for the response that will determine the time within which the response is returned.⁶⁷

117. These deficiencies in SATE persist today – and are likely to continue for the foreseeable future. Although Qwest has asserted that it has procedures in place by which

⁶⁶Georgia/Louisiana Order, ¶ 179; AT&T (Qwest II) Finnegan/Connolly/Menezes Decl., ¶¶ 80-121.

CLECs can request changes to SATE that would move SATE closer to mirroring the production environment, experience has shown that those procedures are patently inadequate.

118. Under Qwest's existing processes, a CLEC seeking to add products to SATE must submit a change request. As AT&T has previously described, AT&T submitted two change requests in December 2001 to add two products (line splitting and loop splitting) to SATE.⁶⁸ Although these requests were prioritized, they still have not been implemented. Under Qwest's current release schedule, these change requests will not be implemented until at least March 2003, when SATE Release 12.0 is scheduled for implementation. Even if the change requests are included in Release 12.0, the time between submission and implementation will be *15 months*. Similarly, Qwest has still not implemented any of the nine change requests that it submitted in early 2002 for the inclusion of additional products in SATE.⁶⁹ At this stage, it appears that (at most) only two of those nine change requests will be implemented as part of SATE Release 12.0 in March 2003, with the remainder to be implemented at some later time.

119. Delays such as these show that Qwest's procedures cannot compensate for the failure of SATE to mirror the production environment. CLECs seeking to test additional products in SATE cannot afford to wait 15 months before the product is actually included in the test environment. CLECs need to use SATE to determine whether orders for the additional products that they seek to offer will be successfully submitted and processed in actual

⁶⁷ AT&T (Qwest II) Finnegan/Connolly/Menezes Reply Decl., ¶¶ 90-115.

⁶⁸ *Id.*, ¶ 94.

⁶⁹ See AT&T (Qwest II) Finnegan/Connolly/Menezes Decl. ¶ 94; Qwest II OSS Decl., ¶¶ 757-758.

production. If a CLEC is forced to wait more than a year to test an additional product in SATE, it will be confronted with the unpalatable choice of waiting for the product to be included in SATE before offering it to customers (in which case it will be deprived during that period of the ability to offer the same panoply of products as Qwest) or foregoing testing and offering the product in actual production (in which case it risks the possibility that the orders it submits for that product will be rejected). In either case, the CLEC's ability to offer additional products in the market is inhibited.

120. The failure of SATE to support all of the products and features available in the production environment is a substantial impediment to CLECs. An evaluation conducted in December 2001 by Hewlett-Packard ("HP") revealed that SATE Release 8.0 supported only 34 of the 80 products that HP listed as being offered by Qwest in production at the time. The remaining 46 products, or 57.5 percent of the total, were not included in SATE Release 8.0.⁷⁰ That situation has not changed. SATE Releases 9.0 and 10.0, which have been implemented since the issuance of HP's report, included none of the 46 products that were not supported by SATE in the analysis by HP of Release 8.0.

121. Documentation issued by Qwest indicates that SATE Release 11.0, which is scheduled for implementation in November 2002, will include two products (EELS and listings with facilities) that were listed in HP's report as not being supported by SATE Release 8.0. Even if these two products are implemented as scheduled, however, the products actually

⁷⁰AT&T (Qwest II) Finnegan/Connolly/Menezes Reply Decl., ¶ 91 & Att. 21.

supported by SATE will represent less than 50 percent of the products that Qwest offers in the production environment.

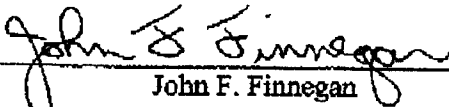
122. Qwest's purported procedure for including additional error messages to SATE is as illusory as its procedure for adding products to SATE. Qwest limits the total resources available for enhancements to SATE, regardless of whether those enhancements are the result of a change request (for inclusion of an additional product) or a data request (for inclusion of an additional error message). Thus, CLECs could achieve the coding of additional error messages in SATE only by foregoing the implantation of the vast array of functionality, products, or features that are not currently included in SATE. CLECs face this Hobson's choice only because of SATE's failure to mirror the production environment.

CONCLUSION

123. Qwest's assertion that its OSS are "performing well" is once again belied by the evidence. Qwest still has not provided nondiscriminatory access to loop qualification information. The needless complexity of Qwest's OSS processes imposes substantial additional burdens and costs on CLECs that denies them a meaningful opportunity to compete. Qwest's rates of order rejections and manual processing remain commercially unreasonable, and Qwest has provided no reliable evidence that its error rate in manual processing is within reasonable bounds. Qwest still fails to provide CLECs with auditable – and accurate – bills. Finally, the test environment that Qwest provides to CLECs still fails to mirror the production environment. For these reasons, Qwest remains far short of meeting its OSS obligations.

I hereby declare under penalty of perjury that the foregoing is true and accurate to the best of my knowledge and belief.

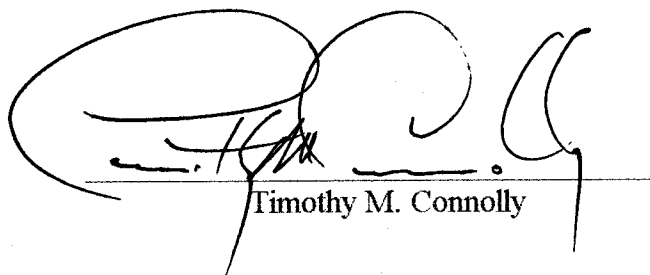
Executed on October 15, 2002



John F. Finnegan

I hereby declare under penalty of perjury that the foregoing is true and accurate to the best of my knowledge and belief.

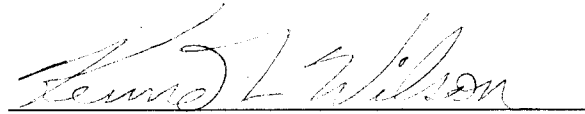
Executed on October 15, 2002



Timothy M. Connolly

I hereby declare under penalty of perjury that the foregoing is true and accurate to the best of my knowledge and belief.

Executed on October 15, 2002


Kenneth L. Wilson